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FISCAL IMPACT STATEMENT

LS 6838

BILL NUMBER: SB 217

NOTE PREPARED: Dec 27, 2011

BILL AMENDED:

SUBJECT: Local Road Funding and Sales Tax.

FIRST AUTHOR: Sen. Skinner

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that 0.67% of state Sales Tax revenue shall be distributed to counties, cities, and towns (rather than the state General Fund) based on the counties', cities', and towns' proportionate share of local road and street mileage. It specifies that amounts distributed in this manner may be used by counties, cities, and towns for the same purposes for which money from the local road and street account may be used.

Effective Date: July 1, 2012.

Explanation of State Expenditures: *Auditor of State:* This bill requires the Auditor of State to distribute 0.67% of Sales Tax revenue to counties, cities and towns. The Auditor of State's current level of resources should be sufficient to implement this provision.

Explanation of State Revenues: This bill would decrease revenue to the state General fund by \$46.1 M in FY 2013 and \$47.8 M in FY 2014. The bill provides that 0.67% of state Sales Tax revenue shall be distributed to counties, cities, and towns based on their proportionate share of local road and street mileage instead of being deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: Auditor of State.

Local Agencies Affected: All counties; All cities and towns.

Information Sources: December 14, 2011, *State Revenue Forecast*.

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